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A LINE IS DRAWN IN ASIA

by William Henry Chamberlin

Out of the turmoil and confusion of the Korean war two definite hard facts of considerable importance appear. The United States has drawn a line in Asia and is prepared to fight if this line is crossed by the forces of aggressive Communism. And the Truman Administration, doubtless hoping that no one will notice the fact amid the general uproar, has spectacularly reversed its Far Eastern policy.

This process of drawing a line which must not be crossed on pain of American military action has been progressing steadily in Europe since 1947. The first step was the so-called Truman Doctrine, the assurance of military and economic aid to Greece and Turkey. There was no direct American military commitment in the Greek civil war. But American technical advice and American aid, military and civilian, helped to defeat the Communist rebellion.

The fall of Czechoslovakia to Communist indirect pressure speeded up self defense moves in Western Europe. As a participant in the North Atlantic Pact, signed in April, 1949, the United States is strongly committed to take positive action in the event of a Soviet attack on any of the European signatories. The presence of American troops in Germany and Austria, in Berlin and Vienna, is an automatic assurance of United States involvement should there be a Soviet attempt to take Germany or Austria by force.

Meanwhile the countries behind the Iron Curtain have come under increasingly direct Soviet domination. So the demarcation line is plainly drawn on both sides, with only Tito's Yugoslavia as a kind of political and military No Man's Land, cast out by Moscow but totalitarian in internal methods of rule, boycotted and harassed by the Communist States but unwilling to enter into full partnership with the West.

Until June 25 there was a marked reluctance in Washington to draw in Asia the kind of hard-and-fast line against aggression which has been marked out in Europe. Asia was in a far more fluid condition than Europe. Several countries were in a state of civil war. The tendency was to avoid binding commitments, apart from those involved in our occupation of Japan and our special relationship with the Philippines.

Then the Soviet Union forced Washington's hand by giving its North Korean satellite the green light for a surprise onslaught on South

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Korea, a State recognized by the United States and sanctioned by the United Nations. The move went beyond anything the Soviet Union had yet attempted in that it involved the open marching of an armed force across a frontier. Yet full Soviet involvement in the beginning was avoided. Soviet military units were not committed.

The foray of June 25 was a probing question, a test of American probable reaction if there should be a Chinese Communist invasion of Indo-China or a Soviet move into Iran or Afghanistan. The answer was prompt and vigorous. The Soviet Union deliberately heated up the temperature of the cold war to lukewarm by unloosing a satellite invasion. The United States did not hesitate to raise the temperature a few more degrees by throwing its air and naval forces into the scales, backed by the authorization of the UN Security Council.

II

The Administration has found it necessary to change its position completely on such important questions as the degree of American participation in resistance to Communism in Asia and the disposal of the strategically important island of Formosa. We are now doing in the limited theatre of South Korea precisely what General Albert C. Wedemeyer recommended that we do on the large stage of China in his prophetic, neglected and long suppressed report of September, 1947. This report is published in full in "United States Relations with China", the State Department so-called White Paper, pp. 764-814. Its salient conclusions, in Wedemeyer's own words, are as follows:

> "In order to preclude defeat by Communist forces it is necessary to give the National Government sufficient and prompt military assistance under the supervision of American advisors in specified military fields.
>
> "American military aid to China, ground, sea and air, would if appropriately supervised, contribute to gradual development of stability in the Far East and lessen the possibility of a Communist-dominated China.
>
> "It is recommended:
>
> "That the United States provide as early as practicable moral, advisory and material support to China in order to prevent Manchuria from being a Soviet satellite, to bolster opposition to Communist expansion and to contribute to the gradual development of stability in China.
>
> "That China, with the advice and support of the United States, develop and implement a sound program of equipment and improved logistical support.
>
> "That arrangements be made whereby China can purchase military equipment and supplies (particularly motor maintenance parts) from the United States.
>
> "That China be assisted in her effort to obtain ammunition immediately."

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It is evident from the nature of some of these recommendations that the official State Department version of China supplied to excess with American munitions and supplies is not accurate. At the time when Wedemeyer submitted his report the Chiang government had large forces still under arms and was in control of all China south of the Yangtze River, of much of North China, with some footholds in Manchuria. Now the essential principle of the Wedemeyer Report, active American advisory leadership, has been adopted when friendly territory on the mainland of Asia has been reduced to the little beachhead of South Korea.

III

Even more important has been the reversal of the Administration's position in regard to Formosa. The issue of what was to become of this large rich island, with its valuable strategic and economic possibilities, became acute toward the end of last year, when organized Chinese Nationalist resistance on the mainland ceased. Chiang Kai-shek established his last base of resistance on Formosa.

The consequences of letting Formosa pass into the hands of the Chinese Communists would obviously be disastrous, from the standpoint of American interests. Formosa was vigorously developed as a stationary aircraft carrier by Japan before the war. It was from Formosa that the Japanese forces took off for the invasion of the Philippines. From the southernmost promontory of Formosa one can see the northernmost islands of the Philippine archipelago.

Occupation of Formosa would give the Chinese Communists attractive opportunities for increased contact with the Communist-inspired Hukbalahap insurgent movement in the Philippines. It would mean a serious breach in the chain of islands, running from Japan to the Philippines, which represents an outer line of defense against Asiatic Communism.

Formosa was formerly Japan's sugarbowl. There was a natural and mutually beneficial exchange of Japanese manufactured goods for such Formosan products as sugar, citrus fruits and surplus rice. Formosa's tea and camphor were valuable items in Japan's balance of payments.

The disappearance of Formosa behind a Communist "bamboo curtain" would thus imperil American strategic security and make still more difficult the restoration of economic self-sufficiency in Japan. Yet up to the day of big decisions, June 27, Secretary Acheson was bent on having America stand aloof from the impending struggle for the island.

General MacArthur has long been conscious of the significance of Formosa. More than six months ago ex-President Hoover and Senator Taft

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came out in favor of an American guaranty for the island, which could not be taken, in the face of such a guaranty, without a far greater muster of air and sea power than the Chinese Communists possess.

IV

But at that time Acheson, who carried the President with him on this issue, was adamant in his insistence that Formosa properly belonged to China, that America should disinterest itself in its fate. This was just what President Truman did in a very blunt statement last January. There was no trace of bipartisan foreign policy in the decision to abandon ship in Formosa. This was exclusively the responsibility of President Truman and Secretary Acheson.

Now, at the eleventh hour, when the danger of conflict may be greater because Chinese Communist prestige is geared to the projected invasion of the island, it has been decided to throw a protective screen around Formosa. Better late than never, perhaps; but the handling of the Formosan issue has been a suitable climax to the vacillating bungling that contributed so much to the loss of China.

Acheson has now come up with the conclusion that "the future of the status of Formosa can be settled only upon the restoration of peace and security in the Pacific, a peace settlement with Japan or consideration by the United Nations". This bears little, if any resemblance to what he was saying last December and January.

Is America at war as a result of the invasion of South Korea? The boundary between war and peace is much more elusive in modern times than it was in the days when hostilities were apt to be formally declared. The Soviet Union and Japan fought at least two big battles in disputed border areas in 1938 and 1939 without calling it war. There was extensive intervention in the Spanish civil war, by Russia on one side, by Germany and Italy on the other, without formal international conflict.

At any rate a line for which America has been committed to fight has been drawn, in Asia as in Europe. This line is very clear amid the rice-paddies near the thirty-eighth parallel in Korea, along the coast of semi-tropical Formosa. It is somewhat dimmer in the jungles of Indo-China. How much fighting will be necessary to hold this line depends on the Kremlin.

Meanwhile the Roosevelt policy of giving Stalin the keys to the Far East at Yalta and the Acheson policy of waiting for something to turn up in China have been tried and found wanting.

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Not Merely Gossip *A Supplement to* Human Events Vol. VII, No. 27

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By Frank C. Hanighen July 5, 1950

POLITICS AND KOREA: The really big political show in the Capital in the past week has been the Administration's attempt to conceal the bankruptcy of its foreign policy. This is in deadly earnest and has inspired the violent attacks on Taft by lickspittles in press and radio. These attacks were concentrated on Taft's invocation of the Constitutional role of Congress in declarations of war. But the Administration emphasis was purely tactical, being aimed at creating the usual confusion in the public mind when matters Constitutional come up. Actually, the maneuver was to conceal Taft's brilliant review of the State Department's record of complete bankruptcy. The Administration's trickery succeeded, for there was very little reporting of the Ohioan's unanswerable arraignment (of State Department blundering) on the floor of the Senate (see Congressional Record, June 28).

The hullabaloo over "unity" is the keystone of the Administration's defense strategy. The harebrained response by public leaders (to the appeal for "unity") is one of the most discouraging aspects of the present situation. The same cry of "stand by the President" smothered at the outset necessary criticism of such policies as the Morgenthau Plan, the Unconditional Surrender policy, the first outlines of the project for UN, etc. -- when vigorous criticism might have prevented these fatal mistakes.

It is agreed among honest observers that a real foreign policy can only be rebuilt after a complete clean out of the old State Department gang, who originated the above fatal policies and brought us to the present pass. Indeed it is arguable that such a house cleaning is the best way to restore our prestige among our Allies -- not by protecting vested State Department interests, not by the cry of "unity".

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ACHESON: Open funk, openly arrived at, has ceased to be admired since guns began to roar in Korea; and so the myth of Acheson, the great statesman, is fading rapidly. It was never more than a product of the tea-cozy camarillas (composed of Washington press and politicos) with whom the Secretary's synthetic English accent and oh-so-cute ventures in humorous understatement went over great guns.

Acheson, since assuming his post, has obviously been of the firm opinion that the best thing to happen would be for history to just stop -- while he presided over delicious little international conferences. But history has insisted on going on in a most disagreeable manner. It is believed that the Acheson policy was blown to vapors by a sudden explosion of the President's old Battery D spirit. On the other hand, there are those here who think that Acheson and his crowd are still punching. It is reliably reported, as an instance, that this crowd is today strenuously urging, beind the scenes, the resignation of Chiang Kai-shek.

Additionally, it should be said that Acheson still has powerful personalities behind him. The "big brother" of course is Justice Felix Frankfurter who can when necessary mount quite a publicity offensive in his friend's behalf. Recently, from sources close to former Secretary of War Stimson, we heard of one such Frankfurter maneuver, several months ago when Acheson's via dolorosa was haunted by the ghost of Alger Hiss. These sources claim to have been present when a call to Stimson came from the Supreme Court Building, "Felix speaking". The call was to urge the old Secretary of War to make public a letter backing "Dean" which the latter did. It can be imagined that this was not the only call made by "Felix".

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Yet most observers here think Acheson's goose is cooked. It is noted how some in the press are "building up" the President as the great statesman, obviously in order to "build down" Acheson. (Those who take this line -- no friends of Truman -- are doubtless proceeding on the theory that there is no danger of completely succeeding in the task of making the man from Missouri a super figure.) Likewise, it is noted that certain press courtiers at the Acheson court are already -- but privately -- talking with confidence of how well they know "Averell". For the Capital is dully expecting Harriman to succeed Acheson. And, on one matter the Capital is in agreement -- that Averell Harriman "is very weak". All this leads one to the conclusion that there is little hope in sight for a State Department house cleaning and a new vigorous foreign policy.

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FIFTH COLUMN IN GOP: The organization in Philadelphia last Saturday (July 1) of the so-called "Republican Advance" is the most recent development in the long jockeying to get the Fair Deal minded Republicans out from under what they call the Taft-Wherry-Bridges Axis. In our April 19 issue we discussed the passionate wooing of Senators Lodge and Morse by the brain trusters of the Americans for Democratic Action. The wooing faded when there arrived upon the scene none other than Russell Davenport, intermittently an executive of Henry Luce's enterprises and never to be forgotten as the original promoter of the Wendell Willkie who smothered Taft and Dewey at Philadelphia in 1940.

Davenport is an internationalist of the apocalyptical school and has for some time had yearnings to start what would be, in effect, a Republican Americans for Democratic Action. The new organization is it. He has had the collaboration of Senator Ives and both have been whinnying at General Eisenhower. It was rumored that the Philadelphia meeting would be a formal balloon-raising for Eisenhower, but the General proved too cagey. Perhaps he remembered that in 1944 Davenport was head of the eastern division of the Independent Republican Committee for Roosevelt.

In an ostentatiously clandestine manner last week's conclave assembled and then issued a declaration of principles designed to "revitalize" the GOP. The New York Times (July 2) reported that "the sessions were conducted in an atmosphere of secrecy, with the declaration the only statement issued. Participants were not identified. The press had no access to the meeting." It wasn't quite so secret as all that. The New York Herald-Tribune, which seems to be in on the proposition, gave the gathering advance billing, reported the meeting, and then ran a glowing editorial about it. It appears that "about 50" attended the performance from 10 states -- Oregon included; that Governor Duff was present, by invitation only and not as a member, to address the meeting; and that a headquarters has been set up at 303 Lexington Avenue, New York City, where Davenport can keep an eye on it. Furthermore, and significantly, Senators Ives and Flanders immediately issued resounding endorsements of the meeting. (More about this in a moment.) After a silence of a couple of days, a group of House Republicans added their endorsement.

The greater part of the declaration is a windy, vaporous, empty piece of rhetoric of high moral tone, rapt with "a vista of a Society based upon the mutual, voluntary efforts of free individuals, encouraged and assisted by their government, to pursue those social goals that have become necessary to the maintenance of the American way of life". When it gets down to cases the declaration comes out for the Hoover Commission recommendations, civil rights, a verbose but incoherent plank about the rights and responsibilities of Labor and employer, an equally incoherent agricultural plank, an ambiguous plank on "tax incentives", a statement that "deficit spending may be useful for the purpose of counterbalancing the economic cycle", an endorsement of the bipartisan foreign policy and, above all, Welfare.

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THE PAYOFF -- WELFARE: Since this Republican group is all for welfare and yet opposed to the Democrats and to "the unlimited extension of Governmental Control of the People", they are hard put to offer substitutes. In fact, they've only got one substitute and that's the Flanders-Ives Health Bill (S. 1970) and this bill was the only thing the Herald-Tribune could find to pin its congratulatory editorial on. Interestingly enough, Davenport has been plugging the Flanders-Ives bill for some time and, last March, devoted a long article in Fortune to the subject. What is more, Davenport in Fortune announced it to be the Republican bill, thereby relegating the antecedent Taft-Smith-Donnell Bill (S. 1581) to the status of a footnote!

There is a curious background to this bill which deserves scrutiny, more especially since it is to this bill and this alone that the dissidents point with pride to prove that they are not Me-tooers at all, but as determined enemies of Statism as the rural, uncouth and wretchedly isolationist Kenneth Wherry.

During the past decade there has occurred the metoric rise of private health insurance plans -- Blue Cross, Blue Shield, etc. The Flanders-Ives bill proposes that these plans (we have been unable to discover any evidence to show that the Blue Cross people are interested in the bill), and other plans to be organized for the purpose, shall be extended to everybody in the country and that people shall pay a percentage of income for medical care -- three per cent up to $5,000 of income. This system, with Federal oversight, would be organized by the states and the deficit incurred in providing medical care for all would be met by direct appropriation of the states and the Federal Government. Participation in the plans is to be entirely voluntary, both for patients and doctors. It is the "voluntary" aspect which sends the promoters of the bill off into lyrical transports. This voluntarism does the trick; it divorces the scheme from Federal domination and control. One of the most experienced drafters of medical legislation in Washington has this to say about Flanders-Ives: "In subsidizing the gap under the Flanders-Ives proposal, government must establish a 'norm'. You will find it on page 15 of the bill. This 'norm' is the amount of service to be rendered for a certain cost. To avoid abuse and to control the government expenditure, government must control the 'norm'. Examination of the Flanders-Ives proposal will disclose a series of controls which rivals that of the Truman-Ewing plan. In subsidizing the gap, government must control both boundaries -- the 'norm' at the top, and the contribution rate at the bottom."

* * * * *

THE BRAIN BEHIND: Where did the Messrs. Ives and Flanders get hold of this juicy piece of New Dealism? It would seem that they bought it from a man named Winslow Carlton. Who is Carlton? After study at Harvard and abroad, in the history and literature of the Italian Renaissance, young Carlton got back to New York in 1932 during the death throes of the Hoover Administration. Then aged 25, Carlton joined the Emergency Exchange as an unpaid volunteer. The Exchange, one of the self-help schemes that mushroomed in that now forgotten day, was headed up by such choice spirits as Leland Olds, Jake Baker and John Carmody, all of whom caught the first train to Washington, when the New Deal was installed, and found well paid careers. Carlton followed in their wake and worked for Harry Hopkins in the FERA. Late in 1937 he helped to organize the Co-operative Health Association of New York, now known as Group Health Insurance, Inc. Eventually Carlton became the boss of this outfit (he still has a close connection with it) and remained so until 1945, when he set up in business as a medical care consultant at 70 Wall Street (right down the hall from Group Health) and there his office is today. His scheme is a ball-and-chain piece of legislation that Oscar Ewing could gratefully accept had he not already got one of his own. And it is this scheme which the Messrs. Flanders, Ives and Davenport offer to the Republicans and the American people as a means of escaping the manacles of the Welfare State!

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Book Events

John C. Calhoun: American Portrait, by Margaret L. Coit. Boston: Houghton Mifflin Company. $5.00. Reviewed by Frank Chodorov.

Of necessity, the backdrop for the story of John C. Calhoun is the history of the United States during the first half of the Nineteenth Century. In this latest biography, the portrayal of the events, issues and personalities of the period in which the hero played his part is done with rare skill, to the delight and instruction of the reader. The tariff and nullification debates sound as stimulating as a current issue; Webster, Jackson and Van Buren take their proper places on the living stage; the troubles of Peggy O'Neil are still poignant; life in Washington and the manners of the South are revived in full measure: all that the character of the principal actor may be the better understood. This blending of history and biography, in just the right parts, makes excellent reading and pushes one along smoothly, even when the author, as she must, delves into the profundities of political thought; for it was here that Calhoun made his real contribution.

But, when you have finished the book, the impression you take away is that of having met a great character. You have enjoyed the story, since it is told by a consummate storyteller; you have struggled with the age-old problem of how the liberty of the minority can be preserved in a democratic setup; you have revelled in the combats of intellectual giants. Beyond all this, you have in your mind an indelible picture of Calhoun the man. You wonder why this should be so, for the issues that engaged his talents have long ago been settled by the course of events, and settled in a way that puts him on the wrong, or losing, side. The advocate of nullification, the prophet of secession and the defender of slavery wins your admiration in spite of your predisposition for the other side. Why?

When you think about it you realize that you have been caught by the ingredient of integrity in the character of Calhoun. After all, he was a politician; for most of his life he held public office and like others in the trade his eye was ever on the office above. Yet he was somewhat different from the common concept of a politician. In your mind you have a composite picture of politicians that is singularly free of this element of integrity; compromise, practicality, shrewdness and duplicity are there aplenty, but not one trace of devotion to principle to the point of self-sacrifice. Your composite is utterly incapable of deliberately following a course that must jeopardize his chance of being President of the United States. Your composite could not say: "I have never pretended to be the leader of any man. When I speak, I speak for myself upon my own responsibility." The contrast between your composite and Calhoun is the main reason you give him your admiration.

A man of that type invariably has a philosophy, a guide to thought and behavior, an integration of his personality. In the case of Calhoun, his philosophy stems from an incurable inclination to personal freedom, for himself and others, for which he sought guarantees in political forms. This was the star of the lost causes he led. It was liberty, not nullification and secession, that he was after, and because he saw in the Constitution a bulwark of liberty he put his efforts into spreading what he thought to be the true interpretation of that document. Margaret Coit puts it this way: "Despite all the guarantees of its written Constitution, however, none knew better than Calhoun that the United States was far from immune to the dangers that had destroyed all free republics of the past. Totalitarianism was not a word in his vocabulary -- oligarchy would have been his nearest approach to it -- but he was aware of its meaning nevertheless. In every past age, democracies had drifted steadily toward consolidation, and consolidation meant the destruction of the local rights and freedoms that the republic was created to preserve. Only a Federal as opposed to a national system of government could prevent this . . ."

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By Marion Dönhoff HAMBURG -- July, 1950

IS BRITISH LABOR ISOLATIONIST? On June 13 I left Bonn just after the Federal Parliament had voted, by a significant majority, in favor of Germany joining the Council of Europe. Thence I flew straight to London where I landed in the midst of the heated discussion occasioned by the pamphlet on European unity published by the Labor Party Executive.

The contrast in attitudes seemed all the more remarkable because it represented a change in traditional attitudes. The Germans with their hitherto limited horizon seemed suddenly to have become really European minded; the ideal of the formerly world-minded British appears, on the other hand, to have become that of an autarchic Commonwealth.

Yet one cannot simply assert that the Labor Party aims at self-sufficiency and is fundamentally opposed to any fusion of forces. Nor is it true that the Labor Party stands alone in its attitude toward the question of European unity. Although the Labor Government has officially disassociated itself as far as possible from the views expressed in the pamphlet, and although the Conservatives are rejoicing at the embarrassment caused to the Labor Government by the excited disapproval of Labor isolationism which the pamphlet has evoked in the Western world, there is no real disagreement. At heart Conservatives and Labor are of the same opinion. The real cause of the row is indignation at the tactical mistake which the Labor Party made by publishing its pamphlet at this particular moment.

Certainly it is not only the Labor Party which opposes European integration. The other parties are at one with Labor in their opposition to it. On the other hand it would be untrue to say that the British all stand together against any kind of European co-operation. The general British view is more or less as follows: Why resurrect the myth of a third force just when we have agreed with Acheson, at the London Conference, on the Atlantic solution? We are agreed that we can maintain and improve our position only in close association with America. If we now consent to join in with a European Federation, we shall appear, in the eyes of the Commonwealth, to share responsibility for the idiotic colonial policy of the French and the Dutch, and for the mistakes of other Europeans. The result will be that the peoples of Africa and Asia will incline far more toward America and its liberal policies than toward Britain.

In the view of most Britishers Europe is a fiction, and the British Commonwealth is a reality. There can be no doubt that a Britisher feels far closer to a Canadian or to an Australian, than to a Greek or a Spaniard. Why then should he feel inclined to put European unity ahead of Commonwealth unity? And even if the British do not conceive of the Commonwealth as the only reality which concerns them, they still believe that the only bearable solution is one which does not endanger the Commonwealth as a whole. To their way of thinking the only solution possible is one which conceives of the whole non-Communist world as one Atlantic and peaceful area, which must not be fragmented in Europe.

Seen from this angle, the seemingly isolationist British point of view marks a stage forward, and can be regarded as more progressive than the antiquated proposal for a European third force between East and West.

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AUSTRIA'S SPECIAL POSITION BETWEEN EAST AND WEST: At the time of the world economic crisis, in the early Thirties, there was a current bon mot in Germany and Austria which illustrated the difference in both the economic situation of the two countries and in the character of their peoples. It was said that in Germany the situation was serious but not hopeless; whereas in Austria it was hopeless but not serious.

The singular capacity of the Austrians to refuse to take life too seriously, and to invest every way of life with a certain charm and grace, perhaps accounts for the fact that the Russians behave differently in Austria than anywhere else. The Austrian atmosphere appears to have a mellowing effect even on the disciples of Marx and the subjects of Stalin. Certainly the Russians behave differently in Austria than in Eastern Germany, Southeastern Europe, or Korea. In the Russian zone of Austria there are even two Arch-Dukes who are permitted to go on living in their castles with their servants and valets, undisturbed in their old way of life. They are definitely the only ones to be found between Vienna and Vladivostock!

Besides the unique Austrian atmosphere, there are, of course, also specific reasons why Austria is permitted to occupy a special position by the Russians. For Austria constitutes the only hole in the Iron Curtain through which contact with the West can be maintained with relative ease and profit. Goods and currency can be exchanged in Austria between East and West with comparative ease.

As early as 1947 a flourishing trade had begun. The USIA enterprises, which consisted of properties formerly owned by the Germans, are today bound together by the Russians in a giant combine. As Soviet owned factories and businesses the USIA firms play an important role in the exchange of goods between East and West. In 1947, when there was an acute shortage of many manufactured goods in the Russian orbit, the USIA firms exported their products to the West in exchange for Swiss francs (without the knowledge of the Austrian authorities, or at least without their assistance or consent). With the proceeds of such sales the USIA enterprises bought ball bearings and other goods in short supply, and also cheap Austrian schillings with which to subsidize the Austrian Communist Party. This profitable trade declined, however, when the Swiss franc could no longer be exchanged for some 30 Austrian schillings, and eventually ceased to have an exchange value of more than seven schillings.

Nevertheless Austria still affords advantages to Russia for the sake of which its special position continues to be respected by Moscow. So long as the Eastern and Western zones of Austria (unlike the two halves of Germany) continue to be treated as an economic whole, Soviet Russia's satellite States are afforded a unique opportunity to profit from the Marshall Plan. They sell their goods in Austria through USIA outside official trade channels, and can utilize the Austrian schilling proceeds to purchase goods from the factories in the Western area which are working on raw materials obtained under the Marshall Plan. Bulgaria, in particular, has profited greatly by such transactions.

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SOVIET DOMESTIC PROPAGANDA: Every day the Tass News Service transmits, at slow speed, in 20 different languages and dialects, Pravda's leading articles and a whole series of articles from the Russian provincial press. In this way some 200 million readers can be influenced every day, not only in the same way, but also so as to indoctrinate them with the same texts and formulas.

This material, which is not intended for foreign propaganda but for home consumption, is an excellent source of interesting detailed information. The constant listener to the program gets a very informative picture of the changes occurring in the Soviet Union.

A clever old Russian of German extraction who spent 30 years of his life in various functions in European and Asiatic Russia, and who now lives in Hamburg, has for a long time spent four to five hours a day listening to and transcribing these transmissions. At the end of each week he brings me a résumé of them.

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In comparing the tenor of today's transmissions with those of two years ago a very clear change in the political atmosphere can be observed. Two years ago, life in the Soviet Union seemed to be based on an unshakeable belief in peace. Gigantic projects of irrigation, reforestation and topographical changes, which were to spread over decades, were planned, started and reported upon. Everything was being planned with a long period of internal reconstruction in view, and there was even a certain atmosphere of ease. Today, on the other hand, a hectic unrest is clearly evident -- a change which had occurred by the end of 1948.

Long-term plans are hardly mentioned now. On the other hand, the people are constantly and nervously exhorted to do their utmost. Something like a "battle of production" has been waged for months past: competition for an increase in production, in livestock, in the area under grain, far exceeding the limits of the usual five-year plan.

Nearly two years ago a so-called "Department of Conservancy" was founded, and the people are constantly being exhorted to save. Measures to decrease the consumption of liquid and other fuels, and of metal, are being taken in all industrial plants. Anyone who does not use coal, oil, and especially steel, with the greatest economy is called an "enemy of the State". Mass competitions of whole industrial areas for the discovery of the best methods of economizing in the use of coal, oil and steel are being conducted throughout Russia. Stalin-premiums up to 100,000 rubles are being paid to the inventors of new methods of conservancy.

About 550 new "norms" have been decreed during the last two years, in order to decrease the consumption of metals by seven per cent. Month by month the zeal with which these goals are being sought increases. The exhortations have now assumed the "character of an ardent people's movement for conservancy and economy".

All this unrest, however, is being overshadowed by the nervous peace propaganda which is getting more and more hectic. Newspaper columns are filled with daily reports on peace congresses, peace-resolutions, and peace demonstrations, throughout the world, with the exception of the Anglo-American aggressors, the "AAA".

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GERMAN YOUTH RECOUNTS ITS FATE: This week the Hamburg firm of Christian Wegner published a book which bears the title Jugend untern Schicksal. It is an exciting and stirring book. It is a collection of the life histories of German boys and girls who in the years 1946 and 1949 went to school again, and who recorded their life histories when registering for their matriculation.

When 15 or 16 years old all of them had been uprooted by the chaos of the last two years of Hitler's regime. They had left school and been enrolled as anti-aircraft helpers, in the labor corps or for military service. Young people who could hardly remember a time when there was no report of the Supreme Command -- as one of them writes -- picture their fate in the bombing, in the final struggle for Berlin, in the dreary trek of the refugees, and in Russian prisoner of war camps. They do it in a short and crisp, and sometimes a touching and gripping manner.

Nearly all of them refer to the fact that in 1945 their whole world collapsed. Even before then many had already begun to doubt the sense of the whole train of events, to doubt the integrity of the Führer and the moral authority of his demands. But most of them had unconsciously again and again stifled their doubts.

They all belonged to the Hitler Youth (HJ) or to the League of German Girls (BDM). They had grown up in that atmosphere of extreme credibility, of fake idealism, and they were suddenly faced with bankruptcy. Without exception they have all realized this bankruptcy to the full and faced up to it, often in prolonged and desperate mental struggle, and in the end they have mastered their fate. Not an easy fate: to realize at the age of 18 that those whom one had adored as gods and heroes had betrayed one; to see their pride and dreams annihilated. Many stand alone in

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the world and do not know what has become of their parents. Many have lost their homes and all support.

Among the many thousands who have sent in reports -- of which only a selection of 70 have been compiled in this book -- there is only one who has not found his way back to a sane life in this world and whom destiny has broken. All the others display an astounding vitality, and have firmly decided not to give up but to strive for a better world.

For those who are not content with hearsay on the attitude of German youth, these reports, in which the very young themselves take the stage and give an answer to thousands of questions, are of extraordinary interest. The book constitutes one of the most informative documents which has been published in Germany since 1945.

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THE INSOLUBLE PROBLEM OF GERMANY DIVIDED BETWEEN EAST AND WEST: The so-called "Gereke case" has shown more than anything else the grotesque situation that has been brought about by the division of Germany. Dr. Günther Gereke, a member of the CDU (Christian-Democratic Union), was until a few days ago Minister of Food in Lower Saxony. He offered his resignation before the verdict of the "Ehrengericht" (Court of Honor) had been given, and while all party committees were still deliberating on his case.

Federal Chancellor Adenauer had shortly before forbidden the Federal Minister of Food, Herr Niklas, to take part in a meeting of the Federal agrarian committee, only because Gereke was the chairman of that committee. This in its turn enraged the Federal Council (the first chamber) because, in its view, the Federal Chancellor in issuing this ban had acted contrary to the Constitution.

What was the reason for all this? A West-German Minister, Herr Gereke, had travelled from Hanover to Berlin in order to sell to the East-German government 20 million cans of vegetables which could not be sold in the West, and which threatened slowly to choke the entire canning industry of Lower Saxony. So what? one might ask, and many people are asking what all the fuss is about.

What is it that makes this trip of Gereke's a matter of heated discussion among all Germans, since hardly anyone in Western Germany takes much interest in Bonn and its ministers?

The point is that Gereke had travelled to Berlin without the Federal government being informed, and had met Deputy Prime Minister Ulbricht of the Eastern zone government at the Hotel Adlon in the Eastern sector to discuss the question of those canned vegetables and the exchange of agricultural produce in general. And this meeting had occurred just after Ulbricht returned from Warsaw, where he had finally ceded to Poland the German territories East of the Oder-Neisse line.

Raising the battle cry "Gereke is a traitor", the whole of the CDU, and the greater part of the press, attacked the Lower Saxony Minister of Food, although Gereke stated that he had known nothing of the Warsaw agreement when he went to Berlin to meet Ulbricht. The SPD (Socialist Democratic Party) which is generally most touchy concerning any question appertaining to the Eastern territories, has not so far declared its standpoint, probably only because it does not wish to side with Adenauer.

In view of the extraordinarily difficult East-West problem, which overshadows our whole life, it seems pretty obvious that a West-German Minister should not have negotiated with the East-German government, even on his home territory, however greatly it might assist the economy of his Land. But if one thinks in normal terms one realizes that this "case" really surpasses the bounds of reasonable comprehension. That is why the people are so interested in it. Every one asks: What solution can there be in the divided state of our country? No one knows the answer.

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